

Public Report

Audit Committee

Committee Name and Date of Committee Meeting:

Audit Committee – 24th September 2026

Report title:

Code of Corporate Governance

Is this a Key Decision and has it been included in the Forward Plan?

No

Strategic Director Approving Submission of the Report:

Judith Badger (Executive Director of Corporate Services)

Report Author(s):

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Ward(s) Affected:

All

Report Summary:

In April 2016 CIPFA (the Chartered Institute of Public Finance and Accountancy) and SOLACE (the Society of Local Authority Chief Executives) published revised guidance on delivering good governance in local government. The Council's Code of Corporate Governance was rewritten at that time to set out how it would comply with this new guidance. In May 2025 CIPFA issued an addendum to the guidance covering the annual review of governance and the annual governance statement.

It is good practice to review and revise the Council Code on an annual basis, and the revised Code is presented here for consideration by the Audit Committee.

Recommendations:

The Audit Committee is asked to:

1. Consider the refreshed version of the Code of Corporate Governance and;
2. After consideration, advise if any amendments or further development work are deemed necessary.

List of Appendices Included:

Appendix 1 – Code of Corporate Governance with tracked changes.

Background Papers

"Delivering good governance in local government", published by CIPFA (the Chartered Institute of Public Finance and Accountancy) and SOLACE (the Society of Local Authority Chief Executives) in April 2016.

"Delivering good governance in local government: framework; Addendum, covering the annual review of governance and the annual governance statement" published by CIPFA (the Chartered Institute of Public Finance and Accountancy) and SOLACE (the Society of Local Authority Chief Executives) in May 2025.

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None

Council Approval Required

No

Exempt from the Press and Public

No

Code of Corporate Governance

1. Background

- 1.1 In April 2016, CIPFA (the Chartered Institute of Public Finance and Accountancy) and SOLACE (the Society of Local Authority Chief Executives) published revised guidance on delivering good governance in Local government. The Council's Code of Corporate Governance was rewritten to set out how it complied with this new guidance. The new guidance set out seven key principles of good governance and the Council's new Code reflected these principles. The Code was first presented to the Audit Committee in February 2017 with updates provided at each November meeting since then.
- 1.2 In May 2025 CIPFA issued an addendum to the guidance covering the annual review of governance and the annual governance statement. The Code was updated last year to align with the addendum. Changes this year can be seen through the track changes shown in Appendix 1.

2. Key issues

- 2.1 Good governance leads to good management, performance, public engagement, stewardship of public money and, through all this, good outcomes for citizens and service users.
- 2.2 Rotherham Metropolitan Borough Council is committed to ensuring the highest possible standards of governance to fulfil its responsibilities. Integrity, openness, and accountability are fundamental principles by which the Council operates.
- 2.3 The guidance sets out the seven key principles which underpin the governance of each local government organisation. The Council's local Code follows these principles and demonstrates how they are applied and evidenced in practice. The seven key principles are:
- Behaving with Integrity, demonstrating strong commitment to ethical values and respecting the rule of law
 - Ensuring Openness and comprehensive stakeholder engagement
 - Determining outcomes in terms of sustainable economic, social and environmental benefits
 - Determining the interventions necessary to optimise the achievement of the intended outcomes
 - Developing the Council's capacity, including the capability of its leadership and the individuals within it
 - Managing risks and performance through robust internal control and strong public financial management
 - Implementing good practice in transparency, reporting and audit to deliver effective accountability.
- 2.4 The first two principles underpin the operation of the other five. As can be seen from the list above, the Council's own values align closely to the key principles in the CIPFA/SOLACE code.

2.5 The Council has adopted this approach in producing its Code of Corporate Governance to give citizens and customers a clear understanding of how the Council manages its decision making, service planning, service delivery and accountability processes; how it ensures that the Council sets out its vision and priorities and how it provides effective and efficient outcomes.

2.6 The review of the Council's Code in 2025 addressed any omissions which were highlighted as a result of the addendum. The 2026 review has focussed on updating evidence in line with internal improvements.

3. Options considered and recommended proposal

3.1 "Delivering Good Governance in Local Government", published by CIPFA (the Chartered Institute of Public Finance and Accountancy) and SOLACE (the Society of Local Authority Chief Executives) is widely acknowledged as the authoritative guide in this area.

3.2 All Local Authorities within the UK construct their Codes of Corporate Governance utilising the methodology advocated by this guidance. The framework was published in April 2016, and it is important that the Council complies with this Code and the subsequent addendum published in May 2025. An annual review of the Code has been completed by the Corporate Governance Group.

3.3 The Audit Committee is invited to review the attached Code at Appendix A and provide any comments. For ease of reference a version showing tracked changes from the previous year is attached although these changes will be removed with the final version of the Code.

4. Consultation on proposal

4.1 Research has been undertaken into sector codes of governance. The attached Code takes account of current arrangements in the Council.

5. Timetable and Accountability for Implementing this Decision

5.1 The refreshed code is to be presented to the Audit Committee for consideration at its meeting on 24th September 2026.

6. Financial and Procurement Advice and Implications

6.1 There are no immediate financial and procurement implications associated with the refreshed code although, as previously stated, good governance leads to good stewardship of public money.

7. Legal Advice and Implications

7.1 There are no direct legal implications arising from the recommendations within this report.

8. Human Resources Advice and Implications

- 8.1 There are no specific Human Resources implications associated with the proposals.

9. Implications for Children and Young People and Vulnerable Adults

- 9.1 There are no immediate implications associated with the proposals.

10. Equalities and Human Rights Advice and Implications

- 10.1 There are no immediate implications associated with the proposals.

11. Implications for Partners

- 11.1 There are no immediate implications associated with the proposals.

16. Risks and Mitigation

- 16.1 The implementation of an effective Governance framework is designed to minimise the Authority's exposure to risk.

17. Accountable Officer(s)

Katie Stead, Policy, Improvement and Risk Manager

Approvals Obtained from:-

Executive Director of Corporate Services: Judith Badger

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